



News from

Congressman Ron Kind

REPRESENTING WISCONSIN'S THIRD
CONGRESSIONAL DISTRICT

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FOR IMMEDIATE RELEASE

April 7, 2005

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Kind Says Bush Policy on Shipments to U.S. Oil Reserves is a Double Whammy for Consumers

Urges Administration to Free Up More Fuel, Drive Down Gas Prices

Washington, DC – Today, U.S. Rep. Ron Kind (D-WI), a member of the House Resources Committee, renewed his call on President Bush to consider a return to previous energy policy that would allow more oil to remain on the market for consumers who are now paying record high prices to fill their gas tanks. Kind has urged the Department of Energy (DOE) in the past to revert back to its previous policy of filling the Strategic Petroleum Reserve (SPR) only when crude oil prices are relatively low and deferring when prices are high.

“A policy of filling the SPR while oil prices are climbing to record highs is a double whammy to consumers who pay at the pump and whose tax dollars purchase the surplus oil for the reserve,” stated Kind. “Gas prices are only going to become more burdensome as we enter the summer travel season, therefore I urge the President Bush to do as past administrations have done to successfully alleviate the pressure of spiking gas prices and temporarily defer shipments to the SPR in order to keep more oil in the domestic market.”

The Strategic Petroleum Reserve is the United States' emergency oil stockpile, created in 1975 after oil supplies were cut off during the 1973-74 oil embargo. Prior to 2002, the DOE granted oil company requests to defer scheduled oil deliveries to the SPR when oil prices were high, in return for deposits of extra oil at a later date. Despite skyrocketing gas prices, the Bush administration has continued to fill the SPR, diverting oil out of the market. Deferring the oil shipments as Kind recommends, would not only drive down gas prices, but would also save taxpayers' money since filling the SPR, regardless of oil prices, increases taxpayer costs.

Kind noted that the rising cost of gas not only hurts consumers and compromises Wisconsin's economy but is also a reminder that adopting a long-term energy policy is critical to developing self-sufficiency with regard to the nation's energy needs.

“Such an energy policy should ensure an adequate supply of oil, greater reliance on alternative and renewable energy sources, and the creation of new technologies that promote energy efficient programs,” said Kind. “I urge the president to take these recommendations under consideration and suspend shipments to the SPR until crude oil supplies increase and prices decrease.”